

111TH CONGRESS
1ST SESSION

H. R. 1803

IN THE SENATE OF THE UNITED STATES

JULY 29, 2009

Received; read twice and referred to the Committee on Small Business and
Entrepreneurship

AN ACT

To amend the Small Business Act to establish a Veterans
Business Center program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Veterans Business
3 Center Act of 2009”.

4 **SEC. 2. VETERANS BUSINESS CENTER PROGRAM.**

5 Section 32 of the Small Business Act (15 U.S.C.
6 657b) is amended—

7 (1) in subsection (f), by inserting “(other than
8 subsections (g), (h), and (i))” after “this section”;
9 and

10 (2) by adding at the end the following:

11 “(g) VETERANS BUSINESS CENTER PROGRAM.—

12 “(1) IN GENERAL.—The Administrator shall es-
13 tablish a Veterans Business Center program within
14 the Administration to provide entrepreneurial train-
15 ing and counseling to veterans in accordance with
16 this subsection.

17 “(2) DIRECTOR.—The Administrator shall ap-
18 point a Director of the Veterans Business Center
19 program, who shall implement and oversee such pro-
20 gram and who shall report directly to the Associate
21 Administrator for Veterans Business Development.

22 “(3) DESIGNATION OF VETERANS BUSINESS
23 CENTERS.—The Director shall establish by regula-
24 tion an application, review, and notification process
25 to designate entities as veterans business centers for
26 purposes of this section. The Director shall make

1 publicly known the designation of an entity as a vet-
2 erans business center and the award of a grant to
3 such center under this subsection.

4 “(4) FUNDING FOR VETERANS BUSINESS CEN-
5 TERS.—

6 “(A) INITIAL GRANTS.—The Director is
7 authorized to make a grant (hereinafter in this
8 subsection referred to as an ‘initial grant’) to
9 each veterans business center each year for not
10 more than 5 years in the amount of \$200,000.

11 “(B) GROWTH FUNDING GRANTS.—After a
12 veterans business center has received 5 years of
13 initial grants under subparagraph (A), the Di-
14 rector is authorized to make a grant (herein-
15 after in this subsection referred to as a ‘growth
16 funding grant’) to such center each year for not
17 more than 3 years in the amount of \$150,000.
18 After such center has received 3 years of
19 growth funding grants, the Director shall re-
20 quire such center to meet performance bench-
21 marks established by the Director to be eligible
22 for growth funding grants in subsequent years.

23 “(5) CENTER RESPONSIBILITIES.—Each vet-
24 erans business center receiving a grant under this
25 subsection shall use the funds primarily on veteran

1 entrepreneurial development, counseling of veteran-
2 owned small businesses through one-on-one instruc-
3 tion and classes, and providing government procure-
4 ment assistance to veterans.

5 “(6) MATCHING FUNDS.—Each veterans busi-
6 ness center receiving a grant under this subsection
7 shall be required to provide a non-Federal match of
8 50 percent of the Federal funds such center receives
9 under this subsection. The Director may issue to a
10 veterans business center, upon request, a waiver
11 from all or a portion of such matching requirement
12 upon a determination of hardship. The Director may
13 waive the matching funds requirement under this
14 paragraph with respect to veterans business centers
15 that serve communities with a per capita income less
16 than 75 percent of the national per capita income
17 and an unemployment rate at least 150 percent
18 higher than the national average.

19 “(7) TARGETED AREAS.—The Director shall
20 give priority to applications for designations and
21 grants under this subsection that will establish a
22 veterans business center in a geographic area, as de-
23 termined by the Director, that is not currently
24 served by a veterans business center and in which—

1 “(A) the population of veterans exceeds the
2 national median of such measure; or

3 “(B) the population of veterans of Oper-
4 ation Iraqi Freedom or Operation Enduring
5 Freedom exceeds the national median of such
6 measure.

7 “(8) TRAINING PROGRAM.—The Director shall
8 develop and implement, directly or by contract, an
9 annual training program for the staff and personnel
10 of designated veterans business centers to provide
11 education, support, and information on best prac-
12 tices with respect to the establishment and operation
13 of such centers. The Director shall develop such
14 training program in consultation with veterans busi-
15 ness centers, the interagency task force established
16 under subsection (c), and veterans service organiza-
17 tions.

18 “(9) INCLUSION OF OTHER ORGANIZATIONS IN
19 PROGRAM.—Upon the date of the enactment of this
20 subsection, each Veterans Business Outreach Center
21 established by the Administrator under the authority
22 of section 8(b)(17) and each center that received
23 funds during fiscal year 2006 from the National
24 Veterans Business Development Corporation estab-
25 lished under section 33 and that remains in oper-

1 ation shall be treated as designated as a veterans
2 business center for purposes of this subsection and
3 shall be eligible for grants under this subsection.

4 “(10) RURAL AREAS.—The Director shall sub-
5 mit annually to the Administrator a report on
6 whether a sufficient percentage, as determined by
7 the Director, of veterans in rural areas have ade-
8 quate access to a veterans business center. If the Di-
9 rector submits a report under this paragraph that
10 does not demonstrate that a sufficient percentage of
11 veterans in rural areas have adequate access to a
12 veterans business center, the Director shall give pri-
13 ority during the 1-year period following the date of
14 the submission of such report to applications for
15 designations and grants under this subsection that
16 will establish veterans business centers in rural
17 areas.

18 “(11) AUTHORIZATION OF APPROPRIATIONS.—
19 There is authorized to be appropriated to carry out
20 this subsection \$12,000,000 for fiscal year 2010 and
21 \$14,000,000 for fiscal year 2011.

22 “(h) ADDITIONAL GRANTS AVAILABLE TO VETERANS
23 BUSINESS CENTERS.—

24 “(1) ACCESS TO CAPITAL GRANT PROGRAM.—

1 “(A) IN GENERAL.—The Director of the
2 Veterans Business Center program shall estab-
3 lish a grant program under which the Director
4 is authorized to make, to veterans business cen-
5 ters designated under subsection (g), grants for
6 the following:

7 “(i) Developing specialized programs
8 to assist veteran-owned small businesses to
9 secure capital and repair damaged credit.

10 “(ii) Providing informational seminars
11 on securing loans to veteran-owned small
12 businesses.

13 “(iii) Providing one-on-one counseling
14 to veteran-owned small businesses to im-
15 prove the financial presentations of such
16 businesses to lenders.

17 “(iv) Facilitating the access of vet-
18 eran-owned small businesses to both tradi-
19 tional and non-traditional financing
20 sources.

21 “(v) Providing one-on-one or group
22 counseling to owners of small business con-
23 cerns who are members of the reserve com-
24 ponents of the armed forces, as specified in
25 section 10101 of title 10, United States

Code, to assist such owners to effectively prepare their small businesses for periods when such owners are deployed in support of a contingency operation.

“(vi) Developing specialized programs to assist unemployed veterans to become entrepreneurs.

“(B) AWARD SIZE.—The Director may not award a veterans business center more than \$75,000 in grants under this paragraph.

“(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph \$1,500,000 for each of fiscal years 2010 and 2011.

“(2) PROCUREMENT ASSISTANCE GRANT PROGRAM.—

“(A) IN GENERAL.—The Director shall establish a grant program under which the Director is authorized to make, to veterans business centers designated under subsection (g), grants for the following:

“(i) Assisting veteran-owned small businesses to identify contracts that are suitable to such businesses.

1 “(ii) Preparing veteran-owned small
2 businesses to be ready as subcontractors
3 and prime contractors for contracts made
4 available through the American Recovery
5 and Reinvestment Act of 2009 (Public
6 Law 111–5) through training and business
7 advisement, particularly with respect to the
8 construction trades.

9 “(iii) Providing veteran-owned small
10 businesses technical assistance with respect
11 to the Federal procurement process, in-
12 cluding assisting such businesses to comply
13 with Federal regulations and bonding re-
14 quirements.

15 “(B) AWARD SIZE.—The Director may not
16 award a veterans business center more than
17 \$75,000 in grants under this paragraph.

18 “(C) AUTHORIZATION OF APPROPRIA-
19 TIONS.—There is authorized to be appropriated
20 to carry out this paragraph \$1,500,000 for each
21 of fiscal years 2010 and 2011.

22 “(3) SERVICE-DISABLED VETERAN-OWNED
23 SMALL BUSINESS GRANT PROGRAM.—

24 “(A) IN GENERAL.—The Director shall es-
25 tablish a grant program under which the Direc-

1 tor is authorized to make, to veterans business
2 centers designated under subsection (g), grants
3 for the following:

4 “(i) Developing outreach programs for
5 service-disabled veterans to promote self-
6 employment opportunities.

7 “(ii) Providing training to service-dis-
8 abled veterans with respect to business
9 plan development, marketing, budgeting,
10 accounting, and merchandising.

11 “(iii) Assisting service-disabled vet-
12 eran-owned small businesses to locate and
13 secure business opportunities.

14 “(B) AWARD SIZE.—The Director may not
15 award a veterans business center more than
16 \$75,000 in grants under this paragraph.

17 “(C) AUTHORIZATION OF APPROPRIA-
18 TIONS.—There is authorized to be appropriated
19 to carry out this paragraph \$1,500,000 for each
20 of fiscal years 2010 and 2011.

21 “(i) VETERANS ENTREPRENEURIAL DEVELOPMENT
22 SUMMIT.—

23 “(1) IN GENERAL.—The Director of the Vet-
24 erans Business Center program is authorized to
25 carry out an event, once every two years, for the

1 purpose of providing networking opportunities, out-
2 reach, education, training, and support to veterans
3 business centers funded under this section, veteran-
4 owned small businesses, veterans service organiza-
5 tions, and other entities as determined appropriate
6 for inclusion by the Director. Such event shall in-
7 clude education and training with respect to improv-
8 ing outreach to veterans in areas of high unemploy-
9 ment.

10 “(2) AUTHORIZATION OF APPROPRIATIONS.—

11 There is authorized to be appropriated to carry out
12 this subsection \$450,000 for fiscal years 2010 and
13 2011.

14 “(j) INCLUSION OF SURVIVING SPOUSES.—For pur-
15 poses of subsections (g), (h), and (i) the following apply:

16 “(1) The term ‘veteran’ includes a surviving
17 spouse of the following:

18 “(A) A member of the Armed Forces, in-
19 cluding a reserve component thereof.

20 “(B) A veteran.

21 “(2) The term ‘veteran-owned small business’
22 includes a small business owned by a surviving
23 spouse of the following:

24 “(A) A member of the Armed Forces, in-
25 cluding a reserve component thereof.

1 “(B) A veteran.

2 “(k) INCLUSION OF RESERVE COMPONENTS.—For
3 purposes of subsections (g), (h), and (i) the following
4 apply:

5 “(1) The term ‘veteran’ includes a member of
6 the reserve components of the armed forces as speci-
7 fied in section 10101 of title 10, United States
8 Code.

9 “(2) The term ‘veteran-owned small business’
10 includes a small business owned by a member of the
11 reserve components of the armed forces as specified
12 in section 10101 of title 10, United States Code.”.

13 **SEC. 3. REPORTING REQUIREMENT FOR INTERAGENCY**
14 **TASK FORCE.**

15 Section 32(c) of the Small Business Act (15 U.S.C.
16 657b(c)) is amended by adding at the end the following:

17 “(4) REPORT.—The Administrator shall submit
18 to Congress biannually a report on the appointments
19 made to and activities of the task force.”.

20 **SEC. 4. COMPTROLLER GENERAL STUDY OF SMALL BUSI-**
21 **NESS CONCERNS OWNED AND CONTROLLED**
22 **BY VETERANS.**

23 The Comptroller General shall carry out a study on
24 the effects of this Act and the amendments made by this
25 Act on small business concerns owned and controlled by

1 veterans and submit to Congress a report on the results
2 of such study. Such report shall include the recommenda-
3 tions of the Comptroller General with respect to how this
4 Act and the amendments made by this Act may be imple-
5 mented to more effectively serve small business concerns
6 owned and controlled by veterans.

Passed the House of Representatives July 28, 2009.

Attest: LORRAINE C. MILLER,
Clerk.